

29 July 2016

Quarterly Activities Report

for the period ended 30 June 2016

1 GROOTFONTEIN BASE METAL PROJECT

The Company holds an 80% interest in the Grootfontein Base Metal Project. The Project is located in the Otavi Mountain Land (OML), north east Namibia (Figure 1). The OML is a globally significant base metal province with production coming from several mines, including the now closed Tsumeb, Kombat, Abenab, and Berg Aukas.

The Company's landholding stands at 632km², with a further 331km² under application. There are four recognised base metal trends with extensive strike lengths located within the tenement package, namely the Askevold, Khusib, Pavian and Abenab Trends. These advanced projects have been the main focus of the Company's exploration efforts.

On its tenements and applications, Deeps holds two of the five historically important mines of the Otavi Mountain Land – Abenab and Christiana (formerly Abenab West). Both mines have only been tested over short strike lengths, with significant exploration upside available to Deeps.

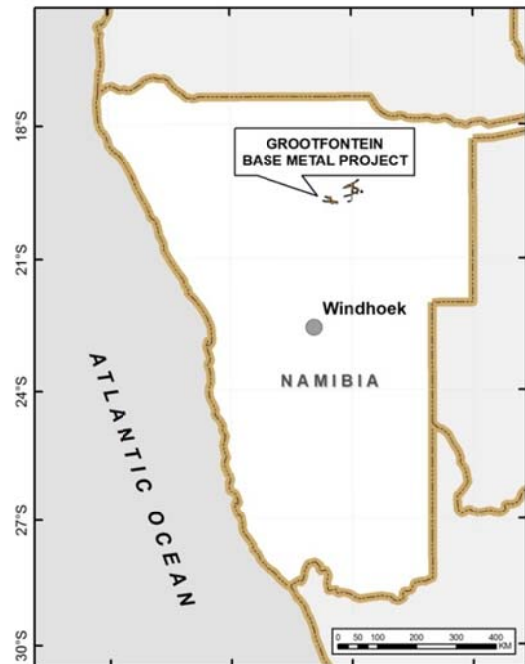


Figure 1 - Location of the Company's Namibian projects.

Activities during the Quarter

Due to the prevailing difficult market conditions, depressed commodity prices, and ongoing delays by the Namibian Ministry of Mines and Energy in granting licence applications and renewals, little fieldwork was completed on the GBP during the quarter.

Deeps began preparing to submit applications for a several mining licences during the quarter. Selected sites include the Christiana Zn-Pb-Ag Mine, the Khusib Springs Mine and the Deblin Cu-Ag Mine. The application process requires submission of extensive documentation, including detailed geological maps, environmental reports, resource reports, and scoping studies.

During the quarter, progress was made on the collection and collation of data for the detailed geological maps. Work also continued on preparation for the required Environmental Impact Assessments.

Golden Deeps Limited (ABN 12 054 570 777)



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Competent Person Declaration

The information in this report that relates to Exploration Results is based on information compiled by Luke Marshall, who is a full time employee of Golden Deeps Limited and a member of The Australasian Institute of Geoscientists. Mr Marshall has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Marshall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Golden Deeps Limited's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Golden Deeps Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

APPENDIX 1 – Schedule of tenements

| Schedule of Mining and Exploration Tenements | | | | | | |
|----------------------------------------------|--------------|--------------------------|-------------|----------|-------------|-------------|
| Country | State/Region | Project | Tenement ID | Area Km2 | Grant Date | Interest % |
| Namibia | Otjozondjupa | Grootfontein Base Metals | EPL 3543 | 89 | 12/09/2006 | 80 |
| | | | EPL 3744 | 18 | 28/08/2007 | 80 |
| | | | EPL 3745 | 193 | 28/08/2007 | 80 |
| | | | EPL 3743 | 120 | 28/08/2007 | 80 |
| | | | EPL 5232 | 260 | Application | Application |
| | | | EPL 5233 | 63 | Application | Application |
| | | | EPL 5234 | 8.4 | Application | Application |
| | | | EPL 5496 | 13 | Application | Application |
| | | | EPL 5509 | 56 | Application | Application |
| | | | EPL 5510 | 73 | Application | Application |